

FISCAL NOTE

HB 3244 - SB 3223

February 26, 2000

SUMMARY OF BILL: Requires adjustments in TennCare capitation rates to managed care organizations for adverse selection to be based on results contained in an annual actuarial study.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$125,000 FY00-01 and every other year

Other Fiscal Impact - Increase Federal Expenditures - \$125,000 FY00-01 and every other year

Estimate assumes bill requires adjustments to distribution of existing funds for adverse payments based on the actuarial study with no increase in capitation rates as a result of the bill.

The Comptroller is currently required to perform an actuarial study every other year. Bill would require a study on an annual basis.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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